

For Information

**LEGISLATIVE COUNCIL
PANEL ON DEVELOPMENT**

**Revision of Fees and Charges under
the Aerial Ropeways (Safety) Ordinance**

PURPOSE

This paper informs Members of the proposed revision to five fee items specified in the Aerial Ropeways (Fees) Regulation (Cap. 211 sub. leg. B) made pursuant to the Aerial Ropeways (Safety) Ordinance (Cap. 211) under the purview of the Electrical and Mechanical Services Department (“EMSD”).

BACKGROUND

2. The five fee items concerned are payable on the making of applications for approval of persons as surveyors, competent persons, controllers and operators under regulation 4 and for amendment to limited certificates of approval held by operators under regulation 5(7) of the Aerial Ropeways (Operation and Maintenance) Regulations (Cap. 211 sub. leg. A). The fees are specified in the Aerial Ropeways (Fees) Regulation made pursuant to the Aerial Ropeways (Safety) Ordinance and were all last revised on 24 November 2000.

THE PROPOSAL

3. In line with the “user pays” principle, it is the Government’s policy that fees charged by the Government should in general be set at levels adequate to recover the full cost of providing the services.

4. In the 2013-14 Budget, the Financial Secretary announced that, to prevent cost recovery items being turned into heavily subsidized items, the Government needs a systematic review of fees and charges and should first deal with fees that have not been revised for years and do not directly affect people’s livelihood. EMSD has recently completed a cost review exercise on the relevant fee items at the 2014-15 price level. The result shows that the present cost recovery rates range from 84% to 87%. Based on the outcome of

the cost review, these five fee items are proposed to be revised to achieve full cost recovery. The proposed adjustments range from 14% to 19%. Details of the proposed fee revisions are set out at the **Annex**. The proposed fee adjustments should have no impact on people's livelihood.

EFFICIENCY IMPROVEMENT MEASURES

5. The EMSD has been taking efficiency enhancement measures, including streamlining work procedures, facilitating electronic submissions of documents, enhancing staff training, etc. to reduce or contain the costs of providing services. Such efficiency savings and improvement measures have been factored into the costing of individual fee items.

FINANCIAL IMPLICATIONS

6. It is estimated that the proposed fee revision will bring a net increase in Government revenue of about \$11,000 per annum.

PUBLIC CONSULTATION

7. We have consulted the Ngong Ping 360 and Ocean Park Corporation, the only two establishments in Hong Kong with aerial ropeway operations. The two stakeholders have not raised any comment on the proposed fee revisions.

WAY FORWARD

8. Members are invited to note that the proposed revision of fees as set out in paragraphs 2 to 4 above and detailed in the **Annex**. We plan to table the legislative amendments to the Legislative Council for negative vetting to implement the fee adjustments in the fourth quarter of 2014.

Development Bureau
June 2014

Annex

**Proposed Revision of Fees under the
Aerial Ropeways (Fees) Regulation**

Item	Description of Fee Item	Year of Last Revision	Current Fees (\$)	Present Cost Recovery Rates	Proposed Fees (\$)	Proposed Adjustments (%)	Cost Recovery Rates after Fee Revision
1.	Fee payable under regulation 4 of the Aerial Ropeways (Operation and Maintenance) Regulations for approval of a person as a surveyor	2000	3,675	86%	4,270	+16%	100%
2.	Fee payable under regulation 4 of the Aerial Ropeways (Operation and Maintenance) Regulations for approval of a person as a competent person	2000	2,055	87%	2,350	+14%	100%
3.	Fee payable under regulation 4 of the Aerial Ropeways (Operation and Maintenance) Regulations for approval of a person as a controller	2000	2,055	87%	2,350	+14%	100%
4.	Fee payable under regulation 4 of the Aerial Ropeways (Operation and Maintenance) Regulations for approval of a person as an operator	2000	1,395	84%	1,660	+19%	100%
5.	Fee payable under regulation 5(7) of the Aerial Ropeways (Operation and Maintenance) Regulations for amendment of a limited certificate of approval	2000	1,395	84%	1,660	+19%	100%